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THE DIRECTOR OF CENTRAL INTELLIGENCE

National Intelligence Council

24 May 1982

NOTE FOR: C/NIC You might find the attached of interest. I will continue to keep you posted of any further meetings.

SECRET

24 May 1982

MEMORANDUM FOR THE RECORD

SUBJECT: EA Regional Meeting on FY 1984 Foreign Assistance Proposal for East Asian and Pacific Countries

Deputy Assistant Secretary of State O'Donahue chaired a meeting on 11 May to discuss proposals for an FY 1984 foreign assistance package in EA. This was the first of what will be many interagency meetings on the subject. O'Donahue presented as the base level for consideration the approved foreign assistance amount for FY 1983. This is the starting point. O'Donahue also presented a modestly increased package designated as increment I, which he defined as "necessary" increases over the base. Increment II represents "desirable" increases over the base.

There was general agreement that if there are to be any incremental increases, Korea and Thailand should get them.

Comment: Although this orderly approach has much merit, it is probably wasted effort, since the OMB representative pointed out that their guidelines for all foreign assistance programs call for consideration of two alternatives only. The first alternative is a constant \$ projection of FY 1982 amounts. The second alternative is a decreased amount below which the program is not worth continuing. If OMB prevails, there will not be very much to discuss in these meetings.

David D. Gries

cc: C/NIC CEA/DDO C/DDI/OEAA